



## EXECUTIVE DEPARTMENT

EXECUTIVE ORDER NO. KBB 2005 - 86

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***LOUISIANA HOUSING FINANCE AGENCY - QUALIFIED HOME IMPROVEMENT  
LOANS AND QUALIFIED REHABILITATION LOANS***

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- WHEREAS,** pursuant to the Tax Reform Act of 1986 and Act 51 of the 1986 Regular Session of the Louisiana Legislature (hereafter **Act** Executive Order No. KBB 2005-12 was issued to establish: (1) a method for allocating bonds subject to private activity bond volume limits, including the method of allocating bonds subject to the private activity bond volume limits for the calendar year of 2005 (hereafter **the 2005 Ceiling**); (2) the procedure for obtaining an allocation of bonds under the 2005 Ceiling; and (3) a system of central record keeping for such allocations;
- WHEREAS,** Section 4(H) of KBB 2005-12 provides that if the ceiling for a calendar year exceeds the aggregate amount of bonds subject to the private activity bond volume limit issued during the year by all issuers, by executive order, the governor may allocate the excess amount to issuers or an issuer for use as a carry-forward for one or more carry-forward projects permitted under the Act;
- WHEREAS,** Hurricanes Katrina and Rita have 1) displaced hundreds of thousands of households from core disaster areas determined by the president to warrant individual and public assistance from the federal government under Section 401 of the Robert T. Stafford Act; 2) created a critical shortfall in the labor force jeopardizing vital industries and businesses; 3) destroyed thousands of residential housing units in the core disaster areas that are critical to housing the labor force serving vital industries and businesses in the core disaster areas; and 4) substantially damaged tens of thousands of other residential units in the core disaster areas that must be rehabilitated in order for the population base and labor force to be able to return to the core disaster areas to service the economic generators and industries of such disaster areas;
- WHEREAS,** the governor desires to allocate private activity volume cap on a priority basis to the core disaster areas to stimulate the investment of funds for affordable housing in such areas;
- WHEREAS,** the Louisiana Recovery Authority and its permanent housing task force are working closely with the Louisiana Housing Finance Agency to develop a comprehensive statewide housing plan, including the use of private activity volume cap as outlined in this Order, to address the challenges and needs presented by Hurricanes Katrina and Rita;
- WHEREAS,** pursuant to and in accordance with the provisions of Section 146(f) of the Internal Revenue Code of 1986, as amended, (hereafter "Code") and in accordance with the request for a carry-forward filed by the Louisiana Housing Finance Agency, excess and unissued private activity bond volume limit under the 2002 and 2003 Ceilings was allocated to the Louisiana Housing Finance Agency for the issuance of qualified mortgage bonds to finance owner-occupied housing throughout the state of Louisiana; and
- WHEREAS,** of the one hundred sixty million three hundred sixty-six thousand two hundred sixteen dollars (\$160,366,216) of carry-forward allocated to the Louisiana

Housing Finance Agency for qualified mortgage bonds, the Louisiana Housing Finance Agency has an unissued balance of one hundred twenty-nine million four hundred fifty-six thousand four hundred forty-nine dollars (\$129,456,449) from the 2002 Ceiling and twenty-five million dollars (\$25,000,000) from the 2003 Ceiling;

**NOW THEREFORE, I, KATHLEEN BABINEAUX BLANCO**, Governor of the state of Louisiana, by virtue of the authority vested by the Constitution and the laws of the state of Louisiana, do hereby order and direct as follows:

**SECTION 1:** Of the aggregate unissued one hundred fifty-four million four hundred fifty-seven thousand four hundred forty-nine dollars (\$154,457,449) of carry-forward balance for qualified mortgage revenue bonds available to the Louisiana Housing Finance Agency from the 2002 and 2003 Ceilings, at least one hundred million dollars (\$100,000,000) shall be made available by the Louisiana Housing Finance Agency for qualified mortgages under Section 143 of the Internal Revenue Code of 1986, as amended, to increase the availability of housing for citizens displaced by Hurricanes Katrina and Rita.

**SECTION 2:** Of the one hundred million dollars (\$100,000,000) of carry-forward for qualified mortgage revenue bonds to be set-aside, not less than seventy-five million dollars (\$75,000,000) shall be used by the Louisiana Housing Finance Agency for qualified home improvement loans under Section 143(k)(4) of the Internal Revenue Code, as amended or on qualified rehabilitation loans under Section 143(k)(5) of the Internal Revenue Code, as amended, to increase the availability of housing for citizens displaced by Hurricanes Katrina and Rita.

**SECTION 3:** This Order is effective upon signature and shall remain in effect until amended, modified, terminated, or rescinded by the governor, or terminated by operation of law.



**IN WITNESS WHEREOF**, I have set my hand officially and caused to be affixed the Great Seal of the state of Louisiana, at the Capitol, in the city of Baton Rouge, on this 21st day of November, 2005.

**/S/ Kathleen Babineaux Blanco**  
**GOVERNOR OF LOUISIANA**

**ATTEST BY**  
**THE GOVERNOR**

**/S/ Al Ater**  
**SECRETARY OF STATE**